

**IN THE SUPREME COURT
STATE OF ARIZONA**

KAREN FANN, an individual; RUSSELL
"RUSTY" BOWERS, an individual;
DAVID GOWAN, an individual;
VENDEN LEACH, an individual;
REGINA COBB, an individual; JOHN
KAVANAUGH, an individual; MONTIE
LEE, an individual; STEVE PIERCE, an
individual; FRANCIS SURDAKOWSKI,
M.D., an individual; NO ON 208 an
Arizona political action committee;
ARIZONA FREE ENTERPRISE CLUB, an
Arizona non-profit corporation,

Plaintiffs/Petitioners,

v.

HON. JOHN HANNAH, Judge of the
Superior Court of Arizona in and out for
Maricopa County, in his official capacity,

Respondent,

and

STATE OF ARIZONA; KIMBERLY YEE,
in her official capacity as Arizona State
Treasurer; ARIZONA DEPARTMENT OF
REVENUE, an agency of the State of
Arizona,

Defendants/Real Parties in Interest,

INVEST IN EDUCATION (SPONSORED
BY AEA AND STAND FOR CHILDREN),
a political action committee; DAVID
LUJAN, an individual,

Intervenors/Real Parties in Interest.

Case No. CV-22-0033

Maricopa County Superior Court
No. CV2020-015495
No. CV2020-015509
(Consolidated)

JOINDER IN PETITION FOR SPECIAL ACTION

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Nominal Defendant Treasurer Yee hereby joins in the request by the Petitioners asking the Arizona Supreme Court to accept jurisdiction of this matter. Yee continues to take no position as to the arguments on the merits. Regardless of this court's decision on the merits of the claims, Treasurer Yee remains concerned that the continued legal maneuvering and delay concerning this matter (now well over a year old) will cause harm to the interests of the state and its citizens.

There is an indication as described in the Petition that the failure to resolve the legality of Proposition 208 will prohibit or at least significantly delay the passage of a budget. Such a delay has the ability to cause serious havoc with the administration of state government and its services. If there is no budget by July 1, 2022, the Office of Treasurer stops functioning and is prohibited from receiving federal funds and distributing those funds to hospitals and other entities entitled to those funds. It also means tax revenue

collected by the state cannot be distributed to cities and counties, school districts and others entitled to those funds.

Unlike the federal government, there is not a single government activity that can continue to operate without a budget in place. That includes the courts, law enforcement, education, and health care because the Treasurer will be unable to distribute funds or pay bills.

Furthermore, if there is no budget, any existing checks/warrants issued by the state could be rejected by the financial system because the Treasurer is not able to pay the bank for them.

And of course, waiting until July 1, 2022 is not ideal as it takes time to prepare to distribute the funds appropriated by the legislature and if this court upholds Proposition 208, that may still not resolve all legal issues surrounding it. Arizona law, as referenced in Proposition 208, requires that the state's General Fund be held harmless before any grants can be distributed. But how one determines the revenue effect of Proposition 208, and how much will need to be backfilled from the revenue collected to offset the revenue lost by virtue of the higher tax rate is unclear. If Proposition 208

is upheld, Treasurer Yee believes she will need further direction from the court on that issue.

Given these outstanding issues, the earlier the court conclusively decides on the constitutionality of Proposition 208 the better.

Accordingly, Treasurer Yee respectfully requests this Court accept the Petition for Special Action and dispatch the issue of Proposition 208's legality at its earliest possible convenience.

DATED this 10th day of February, 2022.

TULLY BAILEY LLP

/s/ Stephen W. Tully

Stephen W. Tully
Attorneys for Nominal Defendant
Kimberly Yee